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11 Attorneys for Defendant
QUIXTAR INC.

13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN FRANCISCO DIVISION

17 JEFF POKORNY, LARRY BLENN
18 and KENNETH BUSIERE on behalf of
themselves and those similarly situated,

19 Plaintiffs,

20 v.

21 QUIXTAR INC.,

22 Defendant.

Case No. C 07-00201 SC

**DECLARATION OF RAY
ALEXANDER IN SUPPORT OF
JOINT MOTION FOR FINAL
APPROVAL OF SETTLEMENT,
ADOPTING PROPOSAL FOR
DISTRIBUTION OF EXCESS,
ADOPTING PROPOSED
CONSENT JUDGMENT, AND
DISMISSAL OF ALL CLAIMS
WITH PREJUDICE**

Date: November 16, 2012
Time: 10:00 a.m.
Court: 1, 17th Floor
Judge: Honorable Samuel Conti

1 I, RAY ALEXANDER, declare as follows:

2 1. I am the Director of Strategic Planning for Amway Corp. I have served in this
3 position since August 2010. Prior to that, I held the position of Director of Transformation, from
4 March 2008 to August 2010, and before that I was Director of Marketing, a position that I held
5 since 2006.

6 2. This is my third Declaration submitted to the Court in connection with the
7 proposed settlement of this action. My first Declaration was filed on April 29, 2011. (Dkt. No.
8 165.) My second Declaration was filed on October 18, 2011. (Dkt. No. 205.)

9 **I. SETTLEMENT CLASS DATA**

10 3. Following the Court's February 21, 2012, Order granting preliminary approval of
11 the settlement, Quixtar Inc. worked with its counsel and with Rust Consulting to collect the data
12 necessary to provide notice to class members. During the course of that effort, Quixtar
13 determined that 2,996,557 IBOs met the criteria for membership in the settlement class as defined
14 in the Court's February 21, 2012 Order.

15 4. Based on my review of Amway records, I estimate that approximately 336,621
16 members of the settlement class are current IBOs. Thus, 2,659,936 members of the settlement
17 class are former IBOs.

18 **II. DISTRIBUTION OF UNCLAIMED PRODUCT**

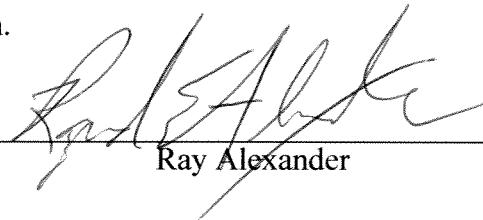
19 5. I understand that approximately \$17.3 million of the \$21.0 product credit fund
20 remains unclaimed by class members. I further understand that, under the terms of the Amended
21 Settlement Agreement, unclaimed portions of the product credit fund may be distributed for the
22 benefit of class members who are former IBOs.

23 6. To distribute the unclaimed product, Quixtar proposes to take the following steps.
24 First, Quixtar will increase the value of product available to class members. Currently, each class
25 member eligible to receive a portion of the product credit fund may receive a single product
26 bundle (chosen from 12 different bundles composed of a diverse range of products) worth
27 approximately \$75 retail. Quixtar proposes to increase the value of the product bundles selected
28 by eligible class members to approximately \$150 retail.

1
2 7. Second, Quixtar proposes to expand the number of class members eligible to
3 receive product from the product credit fund. Currently, to receive a portion of the product credit
4 fund, a class member must have failed to renew his or her registration with Quixtar after his or
5 her initial term as an IBO. Quixtar will expand eligibility for the product credit fund to include
6 all class members who were former IBOs as of February 21, 2012. Thus, the number of former
7 IBO's eligible to receive product will rise from approximately 1,408,297 to 2,659,936.

8 8. Third, if there is still unclaimed product credit remaining after these steps are
9 implemented and after class members are provided a second opportunity to submit claims on the
10 product credit fund, Quixtar shall distribute any remaining product to product credit fund
11 claimants such that the entire \$21 million value of the product credit fund is distributed to those
12 claimants. This additional product shall consist of items that were featured in the product bundle
13 chosen by the claimant.

14
15 I declare under penalty of perjury that the foregoing is true and correct and that I am
16 competent to testify to the facts contained in this Declaration, if called as a witness. Executed on
17 this 12th day of October 2012, in Ada, Michigan.

18
19 
Ray Alexander